

FTC PROPOSAL RESPONSES

I have been an IBO since the launch in 1999. It has been a rewarding experience. It is a simple business, where I am using the products for my personal consumption and I am telling other people about it. In addition to making money, we have developed a lot of very close relationships with uplines and downlines.

We provide our prospects with all the information about the money back guarantee. We register them on the Quixtar website without the product pack, for about \$70. All of that is fully refundable for 1 year.

The requirement of a seven-day waiting period:

I do not agree with the 7-day wait period before registering. We usually want our prospects to spend several days to get educated about the Quixtar business by listening to CDs, reading the literature, and meeting other associates in a business meeting. There is no reason to have to wait another 7 days after the prospect makes a decision to move forward after doing his due diligence. They always have the 100% money back guarantee on the registration fee for 1 year.

The requirement to provide references:

There is no need to provide references to IBOs. Usually the prospects have met several people on the business team (uplines, downlines, and even other associates) as part of their evaluation process which we strongly encourage.

The requirement to provide a "litigation list":

I do not agree with this requirement. We provide lot of facts about the company (www.quixtarfacts.com, www.thisbiznow.com, etc), including articles from reputable publications, like the New York Times, Business 2.0, the Success magazine, etc. We also let the prospects know about the incorrect information that is on the public websites they can access thru Google, etc. Most of these false accusations are from past IBOs that did not follow the system.

The requirement for specific earnings disclosures:

We use a standard 6-4-2 compensation model to show the income potential and how income is distributed. There is no reason to provide any additional disclosures.

The requirement for financial substantiation:

I do not think it is necessary to provide my personal income details. We provide examples of people who are successful and achieved the success fast; so that the prospects can also believe that they can also achieve the same success.